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OREGON

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COMMITTEES
BUDGET
COMMERCE
ENERGY AND NATURAL RESOURCES
FOREIGN RELATIONS

United States Senate

WASHINGTON, DC 20510-3704

October 17, 2002

Honorable Michael Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

WT Docket 02-234

Dear Chairman Powell:

I am writing to express my support for QUALCOMM, Incorporated's recent request that the Federal Communications Commission amend the terms of its Auction Discount Voucher (ADV) to permit its use for retirement of debt owed to the Commission.

I understand that QUALCOMM has requested that the Commission permit the ADV to be used for payment of existing auction debt, rather than future auction debt. If the Commission grants this waiver, QUALCOMM plans to transfer the voucher to one or more of the wireless licensees still owing installment payment debt to the Commission. **As** I understand, this proposal would to serve the public interest as retirement of auction debt will help to sustain the viability of designated entities.

As you know, this is a difficult period for the telecommunications industry. In the near-term, liquidity issues make it very difficult for under-capitalized companies to survive. Many of these companies continue to provide service to its customers, while meeting its auction debt and FCC build-out responsibilities. **At** the same time, QUALCOMM holds an ADV worth of about \$14,000,000 that it wishes to use to support CDMA-based technology users. It seems beneficial to allow QUALCOMM to use its ADV to help designated entities pay off its FCC auction debt.

Given the current financial difficulties the telecommunications industry is facing, it is possible that some wireless companies may soon be unable to make its installment payments. It is my hope that you would give consideration to QUALCOMM's request.

Sincerely,



Gordon H. Smith
United States Senate